

To the Members of the California State Senate:

I am returning Senate Bill 1753 without my signature.

This bill requires the California Public Utilities Commission (CPUC) to report to the Legislature on how repeal of the federal Public Utility Holding Company Act of 1935 (PUHCA) could hurt California consumers and any steps the state should undertake to mitigate these likely impacts.

This bill presupposed that the repeal of PUHCA would have negative consequences for California consumers rather than the intended benefit of stimulating investment in electricity infrastructure. The report required by this bill is unnecessary, and the CPUC assures me they are equipped to respond appropriately to any problems that may arise.

For these reasons, I am unable to sign this bill.

Sincerely,

Arnold Schwarzenegger